

CPP ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

IBT Bancorp Inc.

Point of Contact:	Phillip M. Standley	RSSD: (For Bank Holding Companies)	3129881
UST Sequence Number:	960	Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	2,295,000	FDIC Certificate Number: (For Depository Institutions)	57476
CPP/CDCI Funds Repaid to Date:		Credit Union Charter Number: (For Credit Unions)	
Date Funded (first funding):	N/A	City:	Irving
Date Repaid ¹ :	N/A	State:	Texas

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP/CDCI investment was deployed or how many CPP/CDCI dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP/CDCI capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP/CDCI funds were outstanding).

Increase lending or reduce lending less than otherwise would have occurred.
 Booked \$30.8 Million in new loans in 2011, and renewed an additional \$27.2 Million. Payoffs exceeded new loans thus loans reduced by \$2.2 Million for the year.

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To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).

[Empty response area for increased lending]

Increase securities purchased (ABS, MBS, etc.).

[Empty response area for increased securities purchased]

Make other investments.

[Empty response area for other investments]

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Increase reserves for non-performing assets.

Empty response box for 'Increase reserves for non-performing assets.'

Reduce borrowings.

Reduced brokered deposits by greater than the \$2,295,000 received.

Empty response box for 'Reduce borrowings.'

Increase charge-offs.

Empty response box for 'Increase charge-offs.'

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Purchase another financial institution or purchase assets from another financial institution.

Empty response area for the first question.

Held as non-leveraged increase to total capital.

Empty response area for the second question.

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What actions were you able to avoid because of the capital infusion of CPP/CDCI funds?

The infusion of the CPP funds allowed the bank to maintain a Well Capitalized position, and avoid the discontinuance of new lending activity. Without the CPP funds we would of halted all lending efforts and we would not of booked \$30 Million in new loans in 2011.

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What actions were you able to take that you may not have taken without the capital infusion of CPP/CDCI funds?

We were able to continue to market and seek new lending activity. In 2011 the bank booked approximately \$30 Million in new loans. This represents 48% of our total net portfolio which averaged \$62 Million during 2011.

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Please describe any other actions that you were able to undertake with the capital infusion of CPP/CDCI funds.

This area is a large, empty rectangular box intended for the respondent to provide a detailed description of any other actions undertaken with the capital infusion of CPP/CDCI funds. The box is currently blank.